FISCAL NOTE

SB 3928 - HB 4045

March 8, 2006

SUMMARY OF BILL: Removes from the Commissioner of Commerce and Insurance the responsibility of repaying a local jurisdiction the costs incurred for the remediation of an inherently dangerous building or premises and places such responsibility with local governments.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Potential cost avoidance to the Fire Prevention Fund of state government. Any cost avoidance to state government would result in forgone revenues to local governments. Any cost avoidance to the Fire Prevention Fund could, over time, be significant.

Assumptions:

- Under current law a local government would pay the costs and the Fire Prevention Fund would be responsible for reimbursing such costs to a local government.
- Under the provisions of this bill all costs are the responsibility of local governments and would not be reimbursed by Fire Prevention Fund.
- According to information provided by the Department of Commerce and Insurance, there has only been one instance where a local government has asked the Department to repay these costs. The request, for approximately \$80,000, is currently being disputed by the Department through litigation because the Department contends proper procedures were not followed.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director